



PRESS RELEASE

contact: Susan Sands 609-278-7517

For Immediate Release:

March 19, 1998

CEREMONIAL DEMOLITION MARKS NEIGHBORHOOD REBIRTH

NEWARK - New Jersey Housing and Mortgage Finance Agency (HMFA) Executive Director Timothy J. Touhey, Mayor Sharpe James, Council President Donald Bradley, Councilman George Branch and other dignitaries presided over the demolition of the first of 50 buildings on property slated for redevelopment in the neighborhood formerly known as Amity Village. HMFA plans to revitalize the neighborhood, which borders Newark's south and central wards, with financing for the construction of new for-sale homes.

HMFA also released the formal Request For Proposals (RFP) for redevelopment plan applications from developers seeking construction financing to build single family homes and ownership duplexes with a rental unit on the 57 parcels of land. HMFA will subsidize construction costs on units for families earning low- to moderate-incomes. The deadline for submissions is May 13, 1998, and the successful applicant will be notified in late May. Construction will begin in 1998.

"The demand for home ownership opportunities in Newark is strong, and we are committed to continue to finance worthy developments in urban areas throughout New Jersey," said HMFA Chairman Jane M. Kenny. "The Whitman administration believes in the potential of our urban neighborhoods as viable places to live and work."

"These long-neglected buildings will soon be replaced by a new community; a community where people will want to live; a community with safe, decent and affordable housing for home owners and renters," said Mayor James.

In the last 18 months, HMFA has financed the construction of nearly 200 new for-sale single family homes and ownership/rental duplexes in Newark at Hilltop Gardens, Horizon Village, Magnolia Court and Orange and Hecker Gardens for families across income brackets.

"Area residents are committed to this city and have long recognized the benefits of living in Newark-- its network of active and highly effective neighborhood organizations, preeminent health care and educational institutions, and the dozens of local church, business and civic groups offering economic and cultural enrichment," said Touhey. "At HMFA, we recognize the importance and value of home ownership in our society. It renews a sense of community pride and belonging, stabilizes neighborhoods, and strengthens the state's economy."

HMFA creates and implements programs to advance the rehabilitation, construction and financing of affordable housing for the state. Funding for HMFA programs and operating expenses is secured through the sale of taxable and non-taxable bonds to private-sector investors, and is not dependent upon support from the state treasury.

###

Amity Homes Redevelopment Briefing

March 19, 1998

Location:

- Area bounded by Springfield Avenue, Eighteenth. Avenue, South 18th St. and South 20th St.
- 57 lots located with-in those boundaries.
- 35 of the lots contain structures that will be demolished and cleared by May 1998

Time Line:

- March 19, 1998 - Release of Request for Development Proposal; Start of Demolition – @ 1.5 days per structure.
- May 13, 1998 - RFP Response deadline.
- Week of May 25, 1998 – Agency to announce development award.
- Construction start expected summer 1998

Priorities:

- 25% of the units will be affordable to people at 40% - 50% median income
- 25% of the units will be affordable to people at 50% - 80% median income
- A portion of the remaining 50% of the units will be market rate
- 50% of the final number of units constructed will be homes with a rental component also know as two-fers.
- Marketing to former residents of Amity Village is required.
- Home ownership counselor will be made available.
- Developers will be encouraged and get points for using local residents and minority or women owned businesses.

HMFA Participation:

- Up to \$2.5 million in construction grants to reduce final selling price in order to meet income targeting priorities.
- 30-year home owner mortgages with a 30 year 5 percent fixed rate and zero points.
- Various construction financing packages will be made available to the developer.

Source: New Jersey HMFA, Press Office 609-297-7517

*Attn Pam
Goldstein
973-733-5352*

MEDIA ADVISORY from...



The New Jersey Housing and Mortgage Finance Agency
637 South Clinton Avenue • P. O. Box 18550 • Trenton, New Jersey 08650

Contact: Susan Sands, HMFA, 609-278-7517

CEREMONIAL DEMOLITION MARKS NEIGHBORHOOD REBIRTH

WHAT: The New Jersey Housing and Mortgage Finance Agency (HMFA) will celebrate its commitment to revitalize the neighborhood formerly known as Amity Village with the demolition of the first of 50 buildings slated for redevelopment. HMFA plans to provide financing for the construction of new for-sale homes for Newark families.

WHERE: 695 South 20th Street, Newark
(Bordering the South and Central Wards)

WHEN: Thursday March 19, 1998, at 1:30 p.m.

WHO: Dignitaries in attendance will include:
HMFA Executive Director Timothy J. Touhey
Newark Mayor Sharpe James
Newark Council President Donald Bradley
Newark Councilman George Branch

Media coverage is invited. Interviews and photo ops will be available.

###

